

**MASSIVELY GOING TOWARDS MPEG-4
WHILE ADDRESSING LEGACY ISSUES**

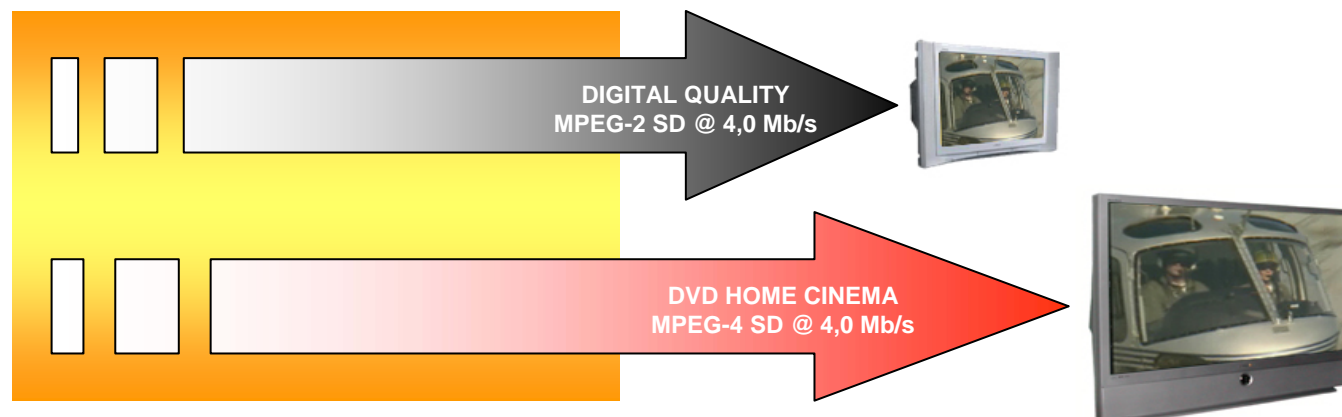
NEOTION
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THE COMPELLING HYBRID WAY



MPEG-4 OPENS UP BREAKTHROUGH PERSPECTIVES

- **DTT** : Before the analogue switchover, MPEG-4 is the only way to make bandwidth provision to extend the number of services, but also to enable HDTV, or even DVB-H for mobiles (not to mention transborder issues).
- **Satellite** : Drastic diminution of the broadcasting cost, thus allowing for enhanced coverage and visibility of a Service (e.g.: multiple diffusion on many satellites for a W/W reach, thematic diffusion).
- **TV over DSL** : The only way to increase the DSLAM coverage, and therefore the Triple Play value proposition and reach– not to mention the ability to offer more than one channel at a time in a given household.
- The notion of **HD for All**: with similar bit rate, the genuine **DVD Home Cinema Quality**.
- Heading towards Unicast Television: the « **MyTV** » concept:
 - VOD (mandatory compression to offer better rVOD type of service – more storage / quicker access).
 - Multiple camera (as France Television does with Free during Rolland Garros competition).
 - Multiple diffusion (time slots to help programs visibility and strengthen audience, ROI & ARPU).



A CAPTIVE DIGITAL TV BASE IS WIDELY EMERGING

- **In line with the coming analogue switchover, iDTV and DCR sets are fastly growing:**
 - Over a million units deployed in the UK.
 - Sony's recent announcement for « iDTV only » beyond 26 inches.
 - Intellect UK recent lobbying in favor of iDTV to strengthen analogue switchover (insisting on the fact that 6 million TV sets are sold per year in the UK).
 - In the States, seven in 10 consumers plan to purchase a digital cable-ready (DCR) as their next TV (source CEA – April 05).
- **Regulation: iDTV are CI compliant (European Directive 2002-22-CE) and DCR TV sets are CableCard ready (cf: FCC plug-n-play rule adopted on September 10, 2003)**
- **MPEG-4 is happening everywhere, both in SD and HD formats.**
- **Modules shall therefore play a significant role by addressing cost and legacy issues in a genuine Consumer perspective.**

IP-TV: THE NEXT BIG THING

- **TV over IP is now happening everywhere:**
 - TDG Research anticipates that global IPTV revenue will top \$ 17bn by 2010.
 - SBC, Verizon and Bellsouth are planning 3 of the biggest IPTV deployments in the World (SBC will extend to 18 million homes in 13 states).
 - France has gathered a unique experience in the IPTV scope, while having also been pioneering DTV as a whole by being the first country to make MPEG-4 AVC mandatory.
 - China is on the way to also deploy IPTV and associated MPEG-4 services.
- **« Yahoo Digital Home »: CES announcement paving the way towards « interactive type services and contents» on hybrid receivers:**
 - cf: TDG study which says that IPTV growth will be fuelled by such hybrid deployments combining digital broadcasted services with IP-Based Telco offerings).
- **April 2005 Cable Television & Telecommunication Association conference in San Francisco:**
 - Many non intrusive iTV features have been announced
 - Comcast & TiVo revealed Internet like pop-ups ads.
 - Time Warner Cable announced it's testing on-screen pull-down menu (more info on viewed content).
 - Buzztime & Comcast discussed their interactive gaming service.
 - Indigo TV promoted its text messaging on TV concept.

LET'S TACKLE THIS TREMENDOUS OPPORTUNITY WITH COMPELLING CONSUMER ORIENTED CARDS

- Consumers are massively buying iDTV and DCR equipments.
- Occidental H/H are widely equipped with broadband.
- So can we get MPEG-4 together with broadband contents & interactive services (both Multicast & Unicast) onto iDTV & DCR sets without IP box and/or Telco's TV over IP subscription?
- Yes, Sure!
- How can?
- Simply with through Appropriate add-on Cards (such as the one powered by NEOTION's single chip technology: NP-4).
 - NP-4 powers plug-n-play Cards with built-in:
 - IP native front-end (WiFi and PLC).
 - Embedded MPEG-4 support along with patented transcoding mechanism to cope with any MPEG-2 legacy opened receiver.
 - Built-in security and copy-protection patented hardware blocks.

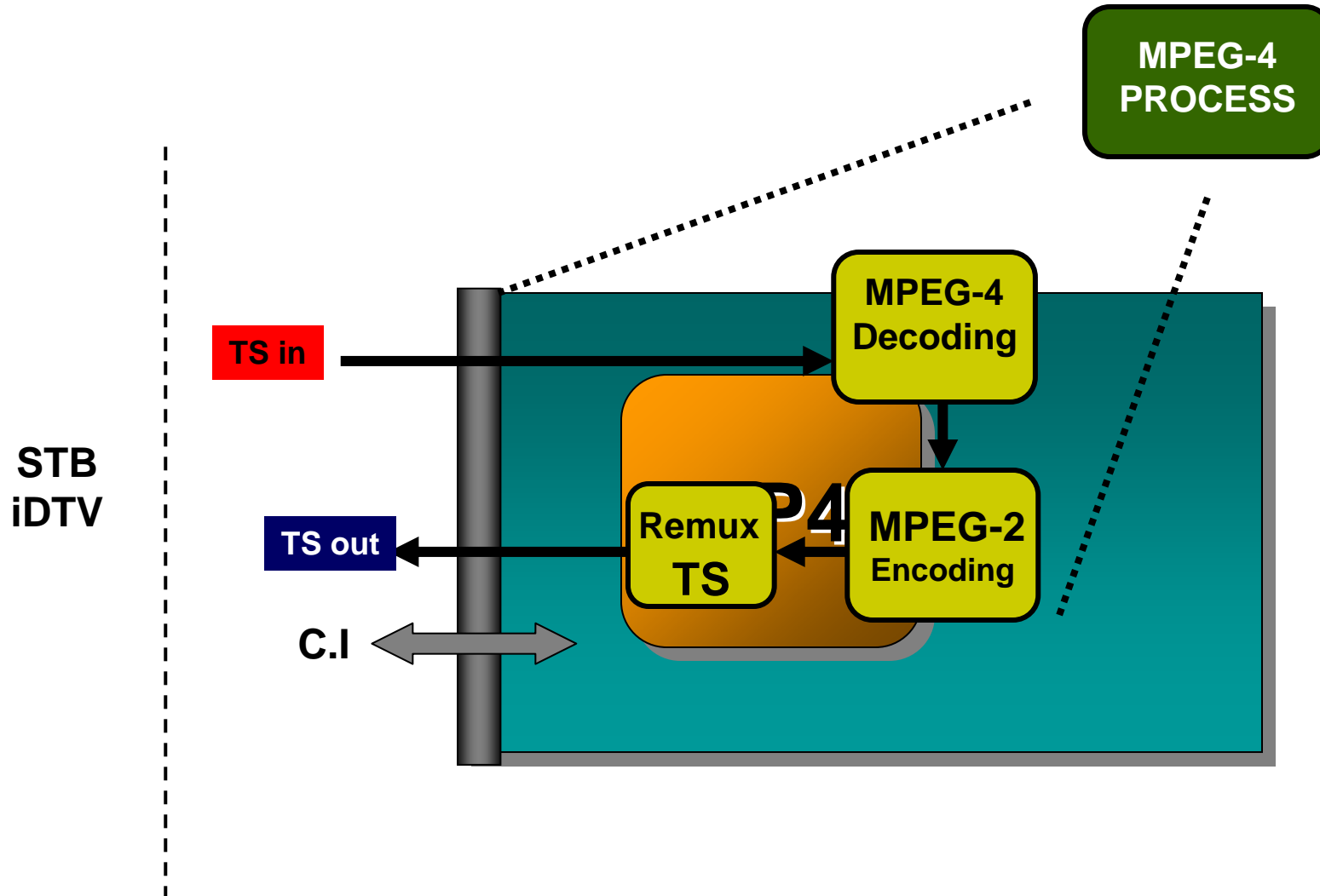
A compelling range of MPEG-4 Cards



Smart Card, WIFI, Home Plug / PLC, Ethernet, Combo versions, etc ...

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MPEG-4 MODULE : REALTIME TRANSCODING

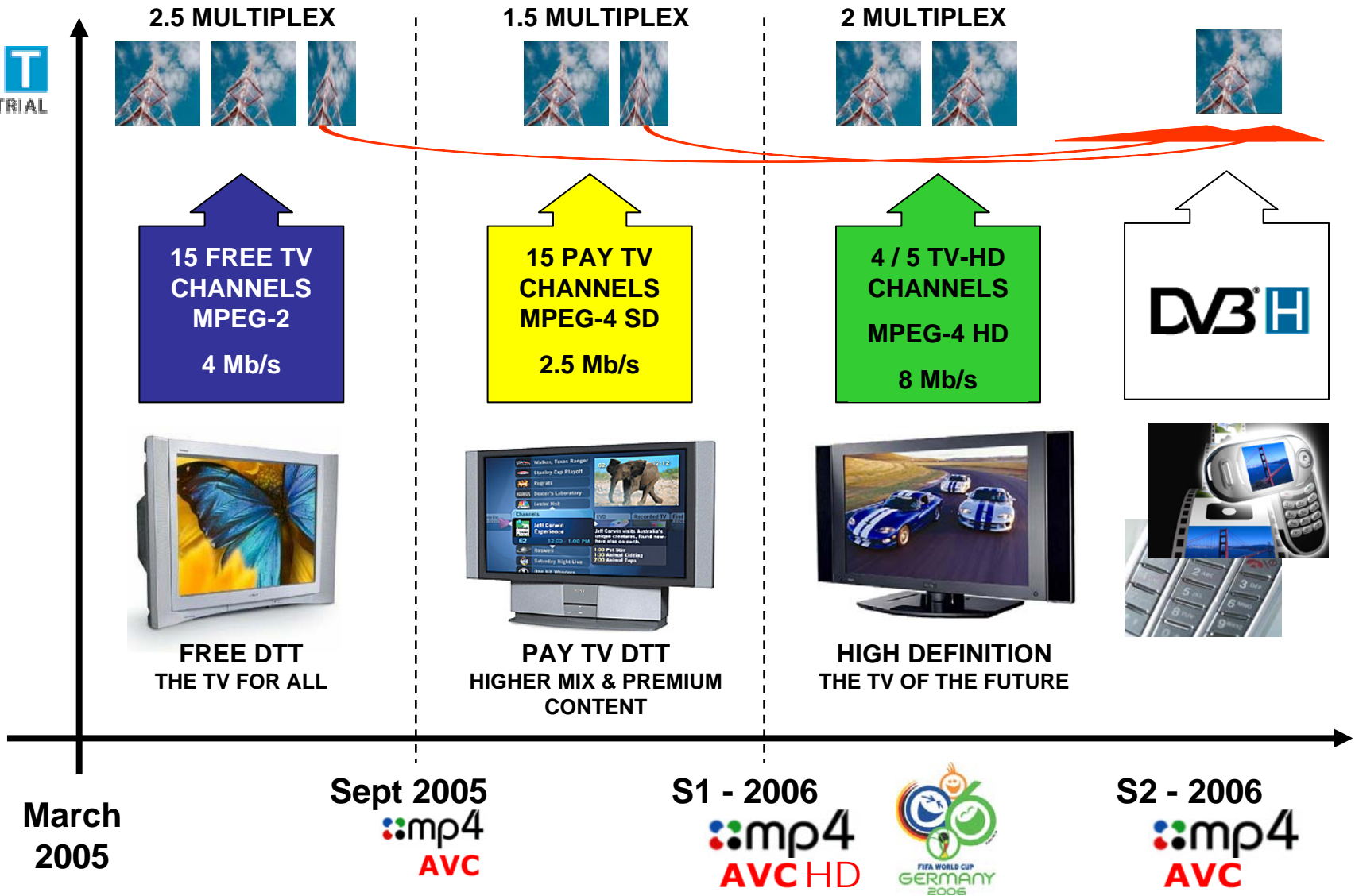


THE MOST APPROPRIATE SOLUTION FOR EVERYBODY

- **Context of use:**
 - Enables MPEG-4 broadcast to happen now.
 - Drastically expands TV over IP reach & perspectives.
 - Opens up DVD Home Cinema Quality.
 - Favors genuine interactivity.
 - Marks the tipping point of the “Unicast TV” and real VOD.
- **TV Operator benefits:**
 - Low cost and easy to manipulate.
 - Supports any Conditional Access and Smart Card.
 - Native hardware security & copy protection engine.

A compelling range of MPEG-4 Cards: Smart Card, WIFI, Home Plug / PLC, Ethernet, Combo versions, etc ...

EG: FRENCH DTT : MPEG-2 & MPEG-4





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